

# California State Senate

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JAMES L. BRULTE  
SENATE REPUBLICAN LEADER  
SENATOR, THIRTY-FIRST DISTRICT

May 21, 2001

Honorable Gray Davis  
Governor of California  
State Capitol  
Sacramento, CA 95814

Dear Governor:

Today you signed SB 28X, legislation that will help expedite the siting of electricity generation facilities. We are pleased to see this measure signed into law, as it was first proposed by legislative Republicans almost four months ago. We are cognizant, however, that this is just one of many steps that must be taken if we are to forge a comprehensive solution that meets California's short- and long-term needs.

Clearly, there is much more work to be done. Such work includes enacting proposals that will:

- Allow air districts to trade air emissions credits more easily.
- Provide property tax reallocation incentives to local governments for siting power plants.
- Provide a comprehensive framework for the use and management of distributed energy resources, including a waiver of standby charges for distributed generation.
- Allow customers to use backup generators to provide power for a business or residence during a "Stage 1, 2, or 3" energy alert and allow an income tax credit for 100% for the purchase of a backup generator.
- Provide the opportunity for direct access for every residential and commercial user in California
- Resolve the QF financing problem and restore those generating facilities to their full production potential.
- Seek to site generators on military bases.
- Determine the extent to which existing hydroelectric facility generating capacity can be expanded and pursue authorization for the Auburn Dam project.
- Provide an income tax credit for solar, wind and geothermal powered generators.
- Exempt real property improvements that provide/increase electricity generation and energy efficiency from reassessment as "new construction."

These proposals warrant your active support, and legislation to implement them has already been introduced in the Second Extraordinary Session. It is our hope that you will use the considerable sway of your office to see that the Legislature acts quickly on these measures.

In closing, we again reiterate our commitment to working with you and legislative Democrats to craft a comprehensive, bi-partisan solution.

Sincerely,



JAMES L. BRULTE  
Senate Republican Leader



DAVE COX  
Assembly Republican Leader